FINANCIAL ASSISTANCE FACILITY AGREEMENT

between

EUROPEAN STABILITY MECHANISM

and

THE HELLENIC REPUBLIC
as the Beneficiary Member State

and

THE BANK OF GREECE
as Central Bank

and

HELLENIC FINANCIAL STABILITY FUND
as Recapitalisation Fund

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THIS FINANCIAL ASSISTANCE FACILITY AGREEMENT is made by and between:

(1) **EUROPEAN STABILITY MECHANISM**, an intergovernmental organisation established by the Treaty Establishing the European Stability Mechanism entered into between the euro area Member States, having offices at 6a, Circuit de la Foire Internationale, L-1347 Luxembourg, represented by Mr. Klaus Regling, Managing Director ("**ESM**");

(2) **THE HELLENIC REPUBLIC**, represented by Mr. Euclid Tsakalotos, Minister of Finance, as the beneficiary member state (the "**Beneficiary Member State**");

(3) **THE BANK OF GREECE**, represented by Mr. Yannis Stournaras, Governor of The Bank of Greece (the "**Central Bank**"); and

(4) **THE HELLENIC FINANCIAL STABILITY FUND**, represented by Mr. Aristides Xenofos, CEO, and Mr. George Koutsos, Deputy CEO (the "**Recapitalisation Fund**"),

herein jointly referred to as the "**Parties**" and each of them a "**Party**".

PREAMBLE

WHEREAS

(A) ESM was established by the Treaty Establishing the European Stability Mechanism entered into between the euro area Member States (the "**ESM Treaty**") for the purpose of mobilising funding and providing stability support for the benefit of ESM Members which are experiencing, or are threatened by, severe financial problems, if indispensable to safeguard the financial stability of the euro area as a whole and of its member states.

(B) ESM may grant financial assistance under financial assistance facility agreements by way of loan disbursements under precautionary conditioned credit lines or enhanced conditions credit lines, loans to ESM Members under macro-economic adjustment programmes, facilities to finance the recapitalisation of financial institutions in a state which is an ESM Member, facilities to finance direct recapitalisation of institutions in a state which is an ESM Member, facilities for the purchases of bonds of an ESM Member in the primary or secondary markets, all subject to strict conditionality appropriate to the financial instrument(s) chosen (each such loan or disbursement under such a financial assistance facility agreement being a "**Financial Assistance**").

(C) ESM shall finance the making of Financial Assistance by issuing or entering into bonds, notes, commercial paper, debt securities or other financing arrangements ("**Funding Instruments**") in order to fund Financial Assistance on a pooled basis or on a dedicated matched-funding basis or out of the Liquidity Buffer, as appropriate. The Funding Instruments shall be issued or entered into either on a stand-alone basis or pursuant to one or more debt issuance programmes (each an "**ESM Debt Issuance Programme**") in accordance with the ESM Borrowing Guidelines.

(D) The Beneficiary Member State addressed a request for stability support in the form of a loan facility to the Chairperson on 8 July 2015.

(E) The Beneficiary Member State has addressed a similar request for financial assistance to the IMF in accordance with Recital (8) of the ESM Treaty. The definitive Aggregate Financial Assistance Amount and Aggregate Loan Facility Amount to be made available by ESM to the Beneficiary Member State shall be determined in light of the amount of financial assistance to be provided by the IMF and shall be set out in a written notice from ESM to the Beneficiary Member State, the Central Bank and the Recapitalisation Fund and counter-signed by and on behalf of the Beneficiary Member State, the Central Bank and the Recapitalisation Fund.

(F) On [10 July 2015], the European Commission, in liaison with the ECB, assessed (i) the existence of a risk to the financial stability of the euro area as a whole or of its member states, (ii) whether the public debt of the Beneficiary Member State was sustainable**,** and (iii) the actual or potential financing needs of the Beneficiary Member State, and on the basis of such assessment the Board of Governors decided in principle to grant stability support to the Beneficiary Member State in the form of a Loan Facility.

(G) On [19 August 2015], a Memorandum of Understanding was entered into between the European Commission (on behalf of ESM and with the approval of its Board of Governors) and the Beneficiary Member State. The financial assistance to be provided to the Beneficiary Member State under this Agreement, including the Facility Specific Terms shall be dependent upon compliance by the Beneficiary Member State with the measures set out in the Memorandum of Understanding.

(H) On [19 August 2015], the Board of Governors has adopted the proposal of the Managing Director for a financial assistance facility agreement, including the financial terms and conditions applicable thereto and the choice of instruments, and the Board of Directors has approved this Agreement.

(I) The release of Financial Assistance under this Agreement (other than the release of the first Tranche of Financial Assistance under this Agreement which has already been approved by the Board of Directors), including the Facility (as defined below), shall, unless otherwise specified, be conditional upon the Board of Directors deciding, on the basis of reports from the European Commission (in liaison with the ECB) in accordance with Article 13(7) of the ESM Treaty, that the Beneficiary Member State has complied with the conditionality attached to this Agreement, including compliance with the measures set out in the Memorandum of Understanding.

(J) It is acknowledged and agreed that the Central Bank is a party to this Agreement for the purpose of receiving disbursements on behalf of the Beneficiary Member State.

(K) Appropriate measures related to the prevention of, and the fight against, fraud, corruption and other irregularities affecting any Financial Assistance shall be provided for and implemented by the authorities of the Beneficiary Member State.

Now, therefore, the Parties hereto have agreed as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 Subject to Clauses 1.2 to 1.5 below, Clause 2 (*Definitions and Interpretation*) of the General Terms shall apply to this Financial Assistance Facility Agreement.

1.2 In this Financial Assistance Facility Agreement the following capitalised terms shall have the following meanings:

"**Aggregate Financial Assistance Amount**" means up to EUR 86,000,000,000, provided that the definitive Aggregate Financial Assistance Amount shall be determined in light of the amount of financial assistance to be provided by the IMF and shall be set out in a written notice from ESM to the Beneficiary Member State, the Central Bank and the Recapitalisation Fund and counter-signed by and on behalf of the Beneficiary Member State, the Central Bank and the Recapitalisation Fund.

"**Aggregate Loan Facility Amount**" means the Aggregate Financial Assistance Amount.

"**Applicable Facility**" means the Facility specified in Clause 2.2 of this Financial Assistance Facility Agreement.

"**Assisted Institution**" means an Institution which has been the beneficiary of Financial Assistance provided by ESM for the purposes of recapitalising financial institutions and/or covering bank resolution costs.

"**Availability Period**" means, in relation to the Facility, the period commencing on and including the date when the Facility enters into force and ending on (and including) the Availability Period Termination Date.

"**Availability Period Termination Date**" means 20 August 2018.

"**Competent Authority**" means, in relation to a Disbursement made for the purpose of:

(a) Financing the recapitalisation of financial institutions, either the ECB (acting in its supervisory function under Regulation 1024/2013) or the Central Bank, as applicable.

(b) Covering bank resolution costs, the relevant Resolution Authority for that bank resolution operation.

"**Debt Agency**" means the Public Debt Management Agency of the Beneficiary Member State.

"**Designated Euro Account**" means, for any Disbursement made in cash, the euro account of the Beneficiary Member State with the Central Bank having initially the following account details:

BIC: [●]

IBAN: [●]

provided that the Designated Euro Account may be temporarily or permanently changed by written notice by the Central Bank, as instructed by the Beneficiary Member State, to ESM and the ECB advising of such change (with a copy addressed to the Beneficiary Member State) at the latest two (2) Business Days prior to the Disbursement Date for the first Disbursement to be made to the changed account.

"**Euro Summit Statement**" means the statement of the Euro Summit dated 12 July 2015.

"**EFSF Agreement**" means any of:

(a) the Master Financial Assistance Facility Agreement dated 15 March 2012 between EFSF, the Beneficiary Member State and the Central Bank, and the Recapitalisation Fund as amended on 12 December 2012, 19 December 2014 and 27 February 2015;

(b) the Bond Interest Facility Agreement dated 1 March 2012 between EFSF, the Beneficiary Member State and the Central Bank, as amended and supplemented by the amendment agreement signed on 12 December 2012;

(c) the Private Sector Involvement – Liability Management Facility Agreement dated 1 March 2012 between EFSF, the Beneficiary Member State and the Central Bank, as amended and supplemented by the amendment agreement signed on 12 December 2012;

(d) the Co-financing Agreement dated 9 March 2012 between EFSF, the Beneficiary Member State, Wilmington Trust (London) Limited as Bond Trustee, the Central Bank as Common Paying Agent and as Bond Paying Agent; and

(e) any document or agreement arising out of or in connection with any agreement listed in paragraphs (a) to (d) above or described in such agreement as forming part of that agreement.

"**Facility Specific Terms**" means the standard facility terms which apply to a particular category of facility as set out in the Standard ESM Facility Specific Terms signed by the Parties for the purpose of authentication on the date hereof.

"**General Terms**" means the General Terms for ESM Financial Assistance Facility Agreements signed by the Parties for the purpose of authentication on the date hereof.

"**GLF**" means the EUR 80,000,000,000 loan facility agreement dated 8 May 2010, as amended on 14 June 2011, 27 February 2012 and 19 December 2012, between the Beneficiary Member State, the Central Bank, the Kingdom of Belgium, Ireland, the Kingdom of Spain, the French Republic, the Italian Republic, the Republic of Cyprus, the Grand Duchy of Luxembourg, the Republic of Malta, the Kingdom of the Netherlands, the Republic of Austria, the Portuguese Republic, the Republic of Slovenia, the Slovak Republic, the Republic of Finland and KfW (acting in the public interest, subject to the instructions of and with the benefit of the guarantee of the Federal Republic of Germany) which provides stability support to Greece in an inter-governmental framework via pooled bilateral loans.

"**Legal Officer**" means the Legal Advisor to the State at the Ministry of Finance of the Beneficiary Member State.

"**Maximum Average Maturity**" means 32.5 years.

"**Minimum Cancellation Amount**" means EUR 100,000,000.

"**Minimum Voluntary Prepayment Amount**" means EUR 100,000,000.

"**MoU**" means the Memorandum of Understanding (as the same may be amended or supplemented from time to time) entered into between the Commission on behalf of ESM, the Beneficiary Member State and the Central Bank on [19 August 2015].

"**New Greek Bonds**" means the sovereign bonds issued by the Beneficiary Member State in connection with the Voluntary Liability Management Transaction.

"**Privatisation Fund**" means an independent fund as described in the Euro Summit Statement, to be established by the Beneficiary Member State to hold valuable Greek assets and which will monetise such assets through privatisations and other means.

"**Privatisation Fund Party**" means the Privatisation Fund, if the Privatisation Fund is a person, and/or any other person forming part of the corporate or governance structure giving effect to the Privatisation Fund and/or to the elements of the Euro Summit Statement that relate to the Privatisation Fund including any entity established for the purpose of holding directly or indirectly any Capital Instruments the acquisition price of which has been financed in whole or in part using Financial Assistance provided under this Agreement.

"**Recapitalisation Fund Boards**" means each of the Executive Board and General Council of the Recapitalisation Fund.

"**Relationship Framework Agreement**" means an agreement between the Recapitalisation Fund and an Assisted Institution, setting out a framework in relation to various aspects of the relationship between the parties to such agreement, including in relation to the governance of such Assisted Institution and its implementation of the Restructuring Plan relevant to it.

"**Resolution Fund**" means the national resolution fund or a national financing arrangement established in accordance with the BRRD.

"**Resolution Fund Laws**" means the laws and/or regulations constituting the Resolution Fund and/or setting out the parameters under which the Resolution Fund may manage or participate in the re-organisation or resolution of Institutions, as such laws or regulations may be amended, supplemented or replaced from time to time.

"**Resolution Loan**" means any loan or other arrangement under which the Recapitalisation Fund lends or contributes funds to the Resolution Fund, and which is made using Financial Assistance provided to the Recapitalisation Fund (whether directly from ESM or indirectly via the Beneficiary Member State), for the purposes of covering bank resolution costs.

"**Stepped Disbursement Procedure**" means the procedure set out in Clause 4.1(b)(ii) of the Financial Assistance Facility Agreement, under which, following approval of a Tranche or Sub-Tranche, Disbursements under that Tranche or Sub-Tranche may be made available over an extended period subject to further conditions.

"**Sub-Tranche**" means, for any Tranche, a sub-total of that Tranche as set out in the Acceptance Notice for that Tranche; a Sub-Tranche may be disbursed in one or more Disbursements.

"**Voluntary Liability Management Transaction**" means the voluntary liability management transaction implemented by way of voluntary bond exchange entered into between Greece and certain private sector investors as described in the statement of the Euro Summit dated 26 October 2011.

1.3 The General Terms and, in respect of the Facility referred to in Clause 2.2 of this Financial Assistance Facility Agreement, the relevant Facility Specific Terms shall be incorporated into this Financial Assistance Facility Agreement subject to any variation, supplement or replacement of (a) the General Terms set out in Clause 3 of this Financial Assistance Facility Agreement or (b) the relevant Facility Specific Terms set out in Clause 4 of this Financial Assistance Facility Agreement.

1.4 Clause 1.2 of the General Terms and Clause 4 of the Introductory Provisions to the Facility Specific Terms shall apply in the event of any inconsistency or conflict between this Financial Assistance Facility Agreement, the General Terms and the Facility Specific Terms.

1.5 If the Board of Directors adopts new General Terms or Facility Specific Terms or adopts any amendments to the General Terms or Facility Specific Terms, these shall not be incorporated automatically into this Financial Assistance Facility Agreement. If ESM and each of the Parties to this Financial Assistance Facility Agreement intend to incorporate into this Financial Assistance Facility Agreement the new or amended General Terms or Facility Specific Terms, this shall be effected by an amendment in writing to this Financial Assistance Facility Agreement entered into pursuant to Clause 5 of this Financial Assistance Facility Agreement (following the receipt of all approvals required under the ESM Treaty to authorise such amendment).

2. THE FINANCIAL ASSISTANCE FACILITY AND SPECIFIC FACILITIES

2.1 ESM makes available to the Beneficiary Member State under this Financial Assistance Facility Agreement a financial assistance facility (the "**Financial Assistance Facility**") in the Aggregate Financial Assistance Amount subject to the terms and conditions of the MoU, the General Terms and the relevant Facility Specific Terms. The Financial Assistance Facility may be made available by ESM to the Beneficiary Member State by way of Financial Assistance. The aggregate principal amounts outstanding of the Financial Assistance under all Facilities shall not at any time exceed the Aggregate Financial Assistance Amount.

2.2 The Financial Assistance Facility is in the form of a Loan Facility having a maximum Aggregate Loan Facility Amount equal to the Aggregate Financial Assistance Amount, such Loan Facility being on the terms and subject to the conditions specified in the Facility Specific Terms entitled "**Section 1: Loan Facility: Facility Specific Terms**" (the "**Facility**"), provided that provisions from other Sections of the Facility Specific Terms may apply as set out in this Agreement.

2.3 ESM shall not be authorised to provide any Financial Assistance under a Facility other than in accordance with and upon the terms of the Agreement. The Beneficiary Member State shall not be under any obligation to make a Request for Funds under a Facility or to acknowledge any Acceptance Notice.

2.4 The Preamble and the Schedules to each document which comprise part of the Agreement do and shall hereafter form an integral part of the Agreement.

3. VARIATIONS, SUPPLEMENTS OR REPLACEMENTS TO THE GENERAL TERMS

The following variations, supplements or replacements shall apply in relation to the General Terms:

3.1 General

(a) Each reference to "the Applicable Facilities" in the General Terms shall be read as a reference to "the Applicable Facility".

(b) Each reference to "the Facilities" in the General Terms shall be read as a reference to "the Facility".

3.2 Definitions

In Clause 2 (*Definitions and Interpretation*) of the General Terms:

(a) the definition of “Acceptance Notice” shall be read as though, after the words “*setting out the amount and the provisional financial terms of the Financial Assistance under the relevant Tranche*”, it included the word “*, Sub-Tranche*”.

(b) the definition of “Restructuring Plan” shall be read as though it comprised the following:

“*"**Restructuring Plan**" means a plan to restore the long-term viability of an Assisted Institution after recapitalisation and restructuring, as approved by DG Competition.*”

(c) the definition of “Tranche” shall be read as though, after the words “*a Tranche may be disbursed in one or more*”, it included the words “*Sub-Tranches or*”.

3.3 Requests, Disbursements and Conditions to Disbursement

In addition to the provisions of Clause 5 (*Requests, Disbursements and Conditions to Disbursement*) of the General Terms, the following provisions shall apply:

(a) (***Payment to certain accounts***) Clause 5.12.1 of the General Terms shall be read as though, after the words “*transfer the Net Disbursement Amount on the Disbursement Date to the Designated Euro Account of the Beneficiary Member State,*”, it included the words “*or such other account as set out in the relevant Acceptance Notice*”.

(b) (***Custody fees***) Clause 5.7 of the General Terms shall be read as though, after the words “*including any financing costs, margin, Negative Carry, losses, costs, hedging costs*”, it included the words “*, custody or holding costs,*”.

3.4 **Undertakings**

(a) In addition to the undertakings set out in Clause 6 (*Representations, Warranties and Undertakings*) of the General Terms, until such time as all commitments of ESM under the Agreement have ceased, all Financial Assistance has been fully reimbursed and all interest and additional amounts (if any) due under the Agreement have been fully paid, the following undertakings shall apply:

(i) (***Recapitalisation Fund Boards observer***) The Beneficiary Member State and the Recapitalisation Fund respectively undertake that in the event that a disbursement of Financial Assistance is disbursed directly to the Recapitalisation Fund (at the request of the Beneficiary Member State) or the Beneficiary Member State uses a disbursement of Financial Assistance to provide financing to the Recapitalisation Fund, then, during the period when such Financial Assistance is outstanding and has not been reimbursed, the Beneficiary Member State shall procure and the Recapitalisation Fund shall permit ESM to appoint an observer to observe the discussions of each Recapitalisation Fund Board, provided that:

(A) ESM's observer shall not be required to observe every or any discussion of either Recapitalisation Fund Board and may select which discussions to observe in its discretion; and

(B) such observer shall enter into a confidentiality undertaking with the Recapitalisation Fund in the customary form (if any) required by the Recapitalisation Fund.

(ii) (***Changes to Recapitalisation Fund Laws***) The Beneficiary Member State undertakes that:

(A) any changes which are needed to any Recapitalisation Fund Laws or to other laws or regulations of the Beneficiary Member State, in order to give full effect to the obligations of any of the Beneficiary Member State and the Recapitalisation Fund under the Agreement, the Resolution Fund under any Resolution Loan, or to give full effect to the MoU, including, without limitation, to:

(1) provide security to ESM or to confer on ESM valid, enforceable and irrevocable third party rights (if applicable); or

(2) perform undertakings (including information undertakings),

shall be promptly implemented following consultation with ESM (in consultation with the Commission, ECB and, where appropriate, the IMF); and

(B) other than as required:

(1) under paragraph (A) boven; and/or

(2) in order to give effect to any directive, regulation or other law of the EU,

it shall not make any change to any Recapitalisation Fund Law where such change to the relevant Recapitalisation Fund Law adversely affects ESM's rights or interests under the Agreement.

(iii) (***Assisted Institutions***) The Recapitalisation Fund undertakes, in relation to each Assisted Institution, to preserve and enforce the Recapitalisation Fund's rights, comply with its obligations and pursue actions and defend claims in relation to or arising out of or in connection with:

(A) its shareholding in that Assisted Institution;

(B) the Relationship Framework Agreement relevant to that Assisted Institution (including, without limitation, in relation to any powers which the Recapitalisation Fund may have to review and change the boards and committees of that Assisted Institution); and

(C) any Subscription Agreement or Pre-Subscription Agreement relevant to that Assisted Institution.

(iv) (***Entry to Resolution Loans***) The Recapitalisation Fund undertakes not to enter into any Resolution Loan unless:

(A) the terms of such Resolution Loan:

(1) include ESM as a third party beneficiary with full rights to enforce all rights and interest of the Recapitalisation Fund and all covenants, undertakings, representations and warranties of the Resolution Fund (or, if this is not possible under the laws of the Beneficiary Member State, provide rights of equivalent effect, provided that this shall not reduce the obligations of the Beneficiary Member State under Clause 3.4(a)(v) onder);

(2) entitle the Recapitalisation Fund to assign any of its rights and interest under the Resolution Loan to ESM (as set out in Clause 3.5(b)(i) onder); and

(3) include an undertaking from the Resolution Fund substantially on the terms of Clause 6.2.6 of the General Terms (provided that such undertaking shall refer to the Resolution Fund where that Clause refers to the

Recapitalisation Fund, and to resolution operations where that Clause refers to recapitalisation operations).

(B) it has provided a form of the Resolution Loan agreement to ESM and ESM has confirmed that the form of Resolution Loan agreement is satisfactory to ESM in relation to the aspects set out in paragraphs (1) to (3) boven (inclusive).

(v) (***Changes to Resolution Fund Laws***) The Beneficiary Member State undertakes that:

(A) any changes which are needed to any Resolution Fund Laws or to other laws or regulations of the Beneficiary Member State, in order to give full effect to the obligations of any of the Beneficiary Member State and the Resolution Fund under any Resolution Loan, including, without limitation, to:

(1) perform its repayment and other obligations under any Resolution Loan; and

(2) ensure that contributions of Institutions to the Resolution Fund may be directed specifically toward meeting the Resolution Fund's obligations under any Resolution Loan,

shall be promptly implemented following consultation with ESM (in consultation with the Commission, ECB and, where appropriate, IMF); and

(B) other than as required:

(1) under paragraph (A) boven; and/or

(2) in order to give effect to any directive, regulation or other law of the EU,

it shall not make any change to any Resolution Fund Law where such change to the relevant Resolution Fund Law adversely affects ESM's rights or interests under the Agreement.

(vi) (***Privatisation Fund***) Each of the Beneficiary Member State, the Central Bank and the Recapitalisation Fund undertakes that, upon request by ESM, it shall (and the Beneficiary Member State shall procure that the Privatisation Fund will) promptly enter into such amendments and/or supplements to this Agreement (or such other arrangements) as ESM may reasonably require, to take account of the legal and economic nature of the Privatisation Fund and give effect to the Euro Summit Statement, including, without limitation:

(A) to include as a party to this Agreement (or to other agreements with ESM) any Privatisation Fund Party as ESM may require;

(B) to include in the Agreement obligations upon the Beneficiary Member State, the Recapitalisation Fund, and/or such Privatisation Fund Party as ESM may require, to make repayment of Financial Assistance by or on behalf of the Beneficiary Member State, out of or in connection with the monetisation of the Privatisation Fund's assets (through privatisations and other means) or other revenue, and to provide such other warranties, undertakings (including negative pledge and information undertakings) or assume such other obligations or provide such other rights as ESM may require to support its position; and

(C) to provide to ESM a guarantee and/or indemnity of the Beneficiary Member State's obligation to repay Financial Assistance, from any Privatisation Fund Party that ESM may require,

and each of the Beneficiary Member State, the Central Bank and the Recapitalisation Fund further undertakes to procure that any Privatisation Fund Party that ESM may require (in order to take account in the Agreement of the Privatisation Fund) to:

(D) become a party to this Agreement; and/or

(E) assume obligations under this Agreement,

becomes a party and/or assumes such obligations in a form and substance satisfactory to ESM.

(vii) (***Transfer of Institution shares***) Each of the Beneficiary Member State and the Recapitalisation Fund undertakes that the Recapitalisation Fund will not transfer any Capital Instruments to any Privatisation Fund Party without the prior written consent of ESM, in consultation with the Commission, ECB, and where appropriate, IMF.

3.5 Security-related undertakings

(a) (***Provision of security***) In Clause 6 (*Representations, Warranties and Undertakings*) of the General Terms, Clause 6.4 shall not apply and the following Clause shall apply instead:

"6.4 The Recapitalisation Fund undertakes, until such time as all principal under the Agreement has been fully reimbursed and all interest and additional amounts (if any) due under the Agreement have been fully paid, that upon the Recapitalisation Fund obtaining title to any Capital Instruments, and after consulting with the ESM, the Recapitalisation Fund shall without delay proceed to take all necessary actions to grant valid first ranking security over all of its rights and interest in and in relation to such Capital Instruments. Such security shall be provided:

6.4.1 as security for the performance of the Recapitalisation Fund's obligations under the Agreement; and

6.4.2 in a form and substance satisfactory to ESM, taking into account the national legal framework."

(b) In addition to the undertakings set out in Clause 6 (*Representations, Warranties and Undertakings*) of the General Terms, until such time as all commitments of ESM under the Agreement have ceased, all Financial Assistance has been fully reimbursed and all interest and additional amounts (if any) due under the Agreement have been fully paid, the following further undertakings shall apply:

(i) (***Assignment of rights under Resolution Loan***) The Recapitalisation Fund undertakes that, until such time as all principal under the Agreement has been fully reimbursed and all interest and additional amounts (if any) due under the Agreement have been fully paid, it shall upon request by ESM assign or grant valid first ranking security to ESM over any and all rights and interest it may have in relation to any Resolution Loan and which ESM may request (or, if this is not possible under the laws of the Beneficiary Member State, provide rights of equivalent effect, provided that this shall not reduce the obligations of the Beneficiary Member State under Clause 3.4(a)(v) boven). Such assignment:

(A) may include, without limitation, the right to demand and receive repayment of such Resolution Loan;

(B) may only be requested by ESM at a time at which amounts are overdue and outstanding under this Agreement; and

(C) shall be in a form and substance satisfactory to ESM, acting in its discretion.

Amounts received by ESM as a result of such assignment or arrangement shall be deemed to contribute to the satisfaction of payment obligations of the Recapitalisation Fund under this Agreement, in the amount so received.

3.6 **Information Undertakings**

In addition to the information undertakings set out in Clause 11 (*Information Undertakings*) of the General Terms, until such time as all commitments of ESM under the Agreement have ceased, all Financial Assistance has been fully reimbursed and all interest and additional amounts (if any) due under the Agreement have been fully paid, the following information undertakings shall apply (provided that each undertaking set out in each of Clauses 3.6(a), (b) and (c) below shall apply only to the extent that the person providing it is entitled (in any of its capacities) to obtain and provide the information relevant to that undertaking):

(a) (***Recapitalisation Fund – change of circumstance***) Each of the Beneficiary Member State and the Recapitalisation Fund undertakes, promptly upon becoming aware of any change to any regulation, or of any occurrence or circumstance (including any third party claim or liability) that could have a material adverse effect on the ability of the Recapitalisation Fund to perform its obligations under this Agreement, the MoU, any Subscription or Pre-Subscription Agreement, or any other related agreement, or could otherwise cause an Event of Default, to inform ESM of such circumstances and provide to ESM such further details of them as ESM may request.

(b) (***Assisted Institution-related undertakings***) Each of the Beneficiary Member State and the Recapitalisation Fund undertakes, promptly upon becoming aware (as a result of performing its obligations as set out in the laws or regulations of the Beneficiary Member State or a Relationship Framework Agreement or otherwise conducting its day to day business) of any:

(i) circumstances or events which have (or which could potentially have) a material adverse effect on an Assisted Institution's financial situation or on its ability to perform its obligations under the relevant Relationship Framework Agreement or the relevant Subscription Agreement;

(ii) material breach by an Assisted Institution of its obligations under the Restructuring Plan, Relationship Framework Agreement or any Subscription Agreement or Pre-Subscription Agreement relevant to that Assisted Institution;

(iii) fraudulent or criminal activities within an Assisted Institution, its subsidiaries and affiliates, or among the staff and/or members of the board of directors and/or senior managers of such Assisted Institution and its subsidiaries and affiliates; and

(iv) material litigation, arbitration, regulatory or administrative proceedings which are taking place, pending or threatened against or involving the Recapitalisation Fund or any Assisted Institution,

to inform ESM of such circumstances and provide to ESM such further details of them as ESM may request, to the extent not prohibited by law or otherwise privileged.

(c) (***Reporting***) Each of the Beneficiary Member State and the Recapitalisation Fund further undertakes to provide ESM with any information reasonably required by ESM in respect of the Recapitalisation Fund or any Assisted Institution (to the extent not prohibited by law or otherwise privileged), including, but not limited to information regarding the Capital Instruments and results of any inspections or conclusions of any reports conducted or requested by any party undertaking such inspections or reports in relation to such Assisted Institution. Alternatively, the Beneficiary Member State and/or the Recapitalisation Fund may procure that each Assisted Institution provide such information directly to ESM.

(d) (***Issue of Capital Instruments***) Promptly upon taking ownership of any Capital Instruments, the Recapitalisation Fund undertakes to inform ESM in writing that it has so taken ownership, and it separately undertakes to provide ESM with details of such Capital Instruments upon request from ESM.

(e) (***Breach of Resolution Loan***) The Recapitalisation Fund undertakes to provide to ESM:

(i) promptly upon become aware of any failure to make payment when due or of any other breach of obligation under any Resolution Loan, the details of such failure to pay or other breach; and

(ii) any information relating to such Resolution Loan as ESM may request from time to time.

(f) (***Information for board observer***) The Recapitalisation Fund undertakes to provide to ESM:

(i) the calendar of meetings and discussions of the board of directors (or equivalent body) of the Recapitalisation Fund; and

(ii) the proposed agenda of each such meeting or discussion,

promptly upon any such document being prepared, and the Recapitalisation Fund also undertakes to circulate any such document to ESM's observer (as set out in Clause 3.4(a)(i) boven) at the same time that such document is circulated to members of each Recapitalisation Fund Board.

(g) (***General information***) Clause 11.5 of the General Terms shall apply as though it did not include the words "*If Financial Assistance is provided in the form of a Financial Institution Recapitalisation Facility*".

3.7 **Events of Default**

(a) In addition to the Events of Default set out in Clause 10 (*Events of Default*) of the General Terms, each of the following shall constitute Events of Default:

(i) (***New Greek Bonds***) ESM sends the Beneficiary Member State a declaration of default in circumstances where any payment default has occurred under any series of New Greek Bonds or any series of New Greek Bonds are the subject of a declaration of default.

(ii) (***GLF***) ESM sends the Beneficiary Member State a declaration of default in circumstances where the GLF is the subject of a declaration of default.

(b) (***EFSF Facilities***) Clause 10.1.5 of the General Terms shall be read as if, after the words "*any agreement for the provision of a loan or any other financial assistance between the Beneficiary Member State, the Central Bank and ESM, EFSF*" it included the words "*, including, without limitation, any EFSF Agreement*".

3.8 Notice by electronic means

In Clause 13 *(Notices)* of the General Terms, Clause 13.2 shall be read as though, after the words "*In case of urgency, they can be given by fax, SWIFT message*" it included the words "*, electronic mail*".

3.9 Guarantee and Indemnity

(a) In Clause 6 (*Representations, Warranties and Undertakings*) of the General Terms, Clause 6.2.14 shall be read as though, after the words "(other than under a DRI Facility)", it included the words "*or to cover resolution costs*".

(b) In Clause 14 *(Guarantee and Indemnity)* of the General Terms, each of Clauses 14.2.1, 14.2.2 and 14.2.3 shall be read as though, after the words *"(including the Financial Institution Recapitalisation Facility)*", it included the words "*or to cover resolution costs*".

4. VARIATIONS, SUPPLEMENTS OR REPLACEMENTS TO THE FACILITY SPECIFIC TERMS

The following variations, supplements or replacements shall apply in relation to Section 1 of the Facility Specific Terms:

4.1 Requests, Disbursements and Conditions to Disbursements

(a) (***Disbursement procedure - Non-recapitalisation/resolution Disbursements***) Clause 4 of Section 1 of the Facility Specific Terms shall be read as if, after the words "*shall apply to this Loan Facility*" it included the words "*in relation to Tranches, Sub-Tranches and Disbursements made other than for the purposes of recapitalising financial institutions or covering bank resolution costs*."

(b) (***Disbursement procedure - Recapitalisation/resolution Disbursements***) In addition to the provisions of Clause 4 of Section 1 of the Facility Specific Terms, the following provisions shall apply to the Facility.

Where a Tranche, Sub-Tranche or Disbursement is requested for the purposes of recapitalising financial institutions or covering bank resolution costs, Clause 5 (*Requests, Disbursements and Conditions to Disbursement*) of the General Terms shall apply to each relevant Request for Funds and each such Tranche, Sub-Tranche or Disbursement, provided that:

(i) (***Normal disbursements***) If the relevant Request for Funds does not specify a Stepped Disbursement Procedure for any Tranche, Sub-Tranche or Disbursement requested under that Request for Funds, then Clause 4 of Section 4 of the Facility Specific Terms shall also apply to such Tranche, Sub-Tranche or Disbursement.

(ii) (***Stepped disbursements***) If the relevant Request for Funds specifies a Stepped Disbursement Procedure for any Tranche, Sub-Tranche or Disbursement requested under that Request for Funds, then, in relation to such Tranche, Sub-Tranche or Disbursement:

(A) Clause 5.4 of the General Terms shall be read as though, after the words "*If the conditions in Clause 5.3 (or, in the case of a DRI Facility, the conditions in Clause 5.3.1 to Clause 5.3.6)*", it included the words "*(but excluding the conditions in Clauses 5.3.5)*";

(B) Clause 5.3.6 shall be read as though it comprised only the words "*the Board of Directors having approved the Tranche or Sub-Tranche*";

(C) In respect of a particular Disbursement, Clause 5.6 of the General Terms shall not apply until:

(1) ESM has received a request in writing from the Beneficiary Member State to disburse that Disbursement under a Tranche or Sub-Tranche and specifying its amount, which is supported by written confirmation of its details from the Competent Authority;

(2) ESM has received the report described in Clause 4.1 of Section 4 of the Facility Specific Terms in respect of that Disbursement;

(3) the Board of Directors has approved that Disbursement, and in considering whether to do so, has applied the principles set out in Clause 4.1 of Section 4 of the Facility Specific Terms;

(4) Clauses 4.2, 4.3 and 4.4 of Section 4 of the Facility Specific Terms have been satisfied;

(5) Clause 4.5 of Section 4 of the Facility Specific Terms shall apply;

(6) Such other conditions as are set out in the Acceptance Notice for the relevant Tranche or Sub-Tranche have been satisfied; and

(7) ESM, the Recapitalisation Fund or Resolution Fund (as applicable) and any Institutions that will benefit from the Disbursement have entered into a Subscription Agreement or Pre-Subscription Agreement in a form and substance satisfactory to ESM,

provided that the Board of Directors may decide that any of the requirements set out at paragraphs (2) to (7) (inclusive) boven shall not apply in respect of a particular Tranche, Sub-Tranche or Disbursement and this may be reflected in the relevant Acceptance Notice,

and provided further that, in relation to each of paragraphs (i) and (ii) boven:

(iii) Clause 4.1(b) of Section 4 of the Facility Specific Terms shall not apply;

(iv) in the case of a Disbursement made to cover bank resolution costs, Clause 4.1 of Section 4 of the Facility Specific Terms shall not apply and Clause 4.3 of Section 4 of the Facility Specific Terms shall be read as though the reference to bank stress tests instead referred to a valuation of the relevant Institution;

(v) in the case of a Disbursement made to finance recapitalisation of a financial institution, Clause 4.3 of Section 4 of the Facility Specific Terms shall be read as though the reference to the Commission being satisfied with bank stress tests instead referred to the Competent Authority being so satisfied; and

(vi) in all cases and notwithstanding any other provision of this Agreement, the total amount of Financial Assistance used to finance the recapitalisation of financial institutions or to cover bank resolution costs under this Agreement may not exceed EUR 25,000,000,000 unless otherwise agreed by the Board of Governors.

4.2 **Representations, Warranties and Undertakings for recapitalisation and resolution operations**

In addition to the provisions of Clause 6 (*Representations, Warranties and Undertakings*) in Section 1 of the Facility Specific Terms, the provisions of Clause 5.2 (*Representations, Warranties and Undertakings*) of Section 4 of the Facility Specific Terms shall apply, provided that references to "*Financial Institution Recapitalisation Facility*" shall be read as references to the Loan Facility.

4.3 **Repayment, Early Repayment, Mandatory Repayment and Cancellation**

In addition to the provisions of Clause 7 (*Repayment, Early Repayment, Mandatory Repayment and Cancellation*) in Section 1 of the Facility Specific Terms, the provisions of Clause 7 (*Repayment, Early Repayment, Mandatory Repayment and Cancellation*) of Section 4 of the Facility Specific Terms shall apply, provided that:

(a) references to "*Financial Institution Recapitalisation Facility*" shall be read as references to the Loan Facility; and

(b) Clause 7.2 of Section 4 of the Facility Specific Terms shall be read as though, after the words "*if at the end of the Availability Period or such earlier date specified in the Financial Assistance Facility Agreement*" it included the words "*, or the Acceptance Notice for such Financial Assistance*".

5. **ENTRY INTO FORCE OF AMENDMENTS**

Any term of this Financial Assistance Facility Agreement may be amended or waived only by an agreement in writing signed by ESM (following the receipt of all approvals required under the ESM Treaty to authorise such amendment), the Beneficiary Member State and each of the other Parties hereto. Following its signature by all Parties, the entry into force of any amendment to this Financial Agreement which

adds a new Facility and makes additional or replacement Facility Specific Terms applicable shall be subject to the receipt by ESM of the legal opinion(s) described in Clause 4.1 of the General Terms in relation to the amendment of this Financial Assistance Facility Agreement and incorporation of such additional or replacement Facility Specific Terms and, in the case of a DRI Facility, to the conditions specified under Clause 4.7 of Section 7 of the Facility Specific Terms.

6. **EXECUTION OF THE AGREEMENT**

This Agreement and its relevant Schedules (if applicable) shall be executed by each Party in three (3) originals in the English language, each of which shall constitute an original instrument.

7. **SCHEDULES**

The Schedule(s) to this Agreement shall constitute an integral part hereof and as of the date of this Agreement comprise:

Schedule 1: List of Contacts

Executed in [Athens] on [19 August 2015] and in Luxembourg on [19 August 2015].

EUROPEAN STABILITY MECHANISM

____

Represented by Klaus Regling, Managing Director

THE HELLENIC REPUBLIC

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Represented by Euclid Tsakalotos, Minister of Finance

THE BANK OF GREECE

____

Represented by Yannis Stournaras, Governor of The Bank of Greece

THE HELLENIC FINANCIAL STABILITY FUND

____

Represented by Aristides Xenofos, CEO

____

Represented by George Koutsos, Deputy CEO

Schedule 1
List of Contacts

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